

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In Re:

Kevin Roland Iott and
Laura Sue Iott,

Debtors.

Case No. 09-48174
Chapter 7
Hon. Steven W. Rhodes

PATRICK KING and ROXANNE KERR,

Plaintiffs,

Adv. Proc. No. 09-05357

vs.

KEVIN R. IOTT and LAURA IOTT,

Defendants.

**ANSWER TO COMPLAINT TO DETERMINE
DISCHARGEABILITY OF INDEBTEDNESS**

NOW COME Defendants, Kevin R. Iott and Laura Iott (“Defendants”), by and through their attorneys, Nathan Zousmer, P.C., and for their Answer to Complaint to Determine Dischargeability of Indebtedness (the “Complaint”), state as follows:

1. In response to Paragraph 1 of the Complaint, it calls for a legal conclusion for which no answer is required.
2. In response to Paragraph 2 of the Complaint, Defendants do not object to this case being treated as a core proceeding.
3. In response to Paragraph 3 of the Complaint, Defendants admit that there was a case brought in the County of Monroe Circuit Court, being Case No. 08-24994-CZ, and further, that there was no adjudication on the merits prior to the stay in that action.

4. Defendants neither admit nor deny the allegations set forth in paragraph 4 of the Complaint and leave Plaintiffs to their proofs.

5. Defendants neither admit nor deny the allegations set forth in paragraph 5 of the Complaint and leave Plaintiffs to their proofs.

6. Admit.

7. Admit.

8. In response to Paragraph 8 of the Complaint, Defendants admit that Laura Iott and Kevin Iott were members of Posey Lake. Laura Iott denies that she had any knowledge of the activities that were taken by Posey Lake as it relates to the allegations set forth in this lawsuit. Kevin Iott admits that he had involvement with respect to certain activities of Posey Lake, but denies the allegations or activities as alleged in the Complaint by the Plaintiffs that they claim he was involved in. Defendants neither admit nor deny the balance of the allegations set forth in that paragraph, and leave Plaintiffs to their proofs.

9. In response to paragraph 9 of the Complaint, Defendants state that Exhibit B speaks for itself, therefore, no reply is required.

10. In response to paragraph 10 of the Complaint, Defendants state that Exhibit C speaks for itself therefore, no reply is required.

11. Defendants neither admit nor deny the allegations set forth in paragraph 11 of the Complaint and leave Plaintiffs to their proofs.

12. Defendants neither admit nor deny the allegations set forth in paragraph 12 of the Complaint and leave Plaintiffs to their proofs.

13. Defendants neither admit nor deny the allegations set forth in paragraph 13 of the Complaint and leave Plaintiffs to their proofs.

14. Defendants neither admit nor deny the allegations set forth in paragraph 14 of the Complaint and leave Plaintiffs to their proofs.

15. Defendants neither admit nor deny the allegations set forth in paragraph 15 of the Complaint and leave Plaintiffs to their proofs.

16. Defendants neither admit nor deny the allegations set forth in paragraph 16 of the Complaint and leave Plaintiffs to their proofs.

17. Defendants neither admit nor deny the allegations set forth in paragraph 17 of the Complaint and leave Plaintiffs to their proofs.

18. Defendants neither admit nor deny the allegations set forth in paragraph 18 of the Complaint and leave Plaintiffs to their proofs.

19. Defendants neither admit nor deny the allegations set forth in paragraph 19 of the Complaint and leave Plaintiffs to their proofs.

20. Defendants neither admit nor deny the allegations set forth in paragraph 20 of the Complaint and leave Plaintiffs to their proofs.

21. Defendants neither admit nor deny the allegations set forth in paragraph 21 of the Complaint and leave Plaintiffs to their proofs.

22. Defendants neither admit nor deny the allegations set forth in paragraph 22 of the Complaint and leave Plaintiffs to their proofs.

23. Defendants neither admit nor deny the allegations set forth in paragraph 23 of the Complaint and leave Plaintiffs to their proofs.

24. In response to Paragraph 24 of the Complaint, as to Defendant Kevin Iott, the information contained is neither admitted nor denied and leave Plaintiffs to their proofs. As to Defendant Laura Iott, it is specifically denied that she had any knowledge of the facts alleged in paragraph 24 of the Complaint.

COUNT I - FRAUDULENT MISREPRESENTATION

25. No response required.

26. Defendants deny the allegations set forth in paragraph 26 and leave Plaintiffs to their proofs.

27. Defendants deny the allegations set forth in paragraph 27 and leave Plaintiffs to their proofs.

28. Defendants deny the allegations set forth in paragraph 28 and leave Plaintiffs to their proofs.

29. Defendants neither admit nor deny the allegations set forth in paragraph 29 of the Complaint and leave Plaintiffs to their proofs.

30. Defendants deny the allegations set forth in paragraph 30 and leave Plaintiffs to their proofs.

COUNT II - SILENT FRAUD

31. No response required.

32. Defendants deny the allegations set forth in paragraph 32 and leave Plaintiffs to their proofs.

33. Defendants deny the allegations set forth in paragraph 33 and leave Plaintiffs to their proofs.

34. Defendants deny the allegations set forth in paragraph 34 and leave Plaintiffs to their proofs.

35. Defendants deny the allegations set forth in paragraph 35 and leave Plaintiffs to their proofs.

36. Defendants deny the allegations set forth in paragraph 36 and leave Plaintiffs to their proofs.

37. Defendants deny the allegations set forth in paragraph 37 and leave Plaintiffs to their proofs.

COUNT III - VIOLATION OF THE MICHIGAN CONSUMER PROTECTION ACT

38. No response required.

39. Admit.

40. Defendants neither admit nor deny the allegations set forth in paragraph 40 of the Complaint and leave Plaintiffs to their proofs.

41. Defendants deny the allegations set forth in paragraph 41 and leave Plaintiffs to their proofs.

42. Defendants deny the allegations set forth in paragraph 42 and leave Plaintiffs to their proofs.

43. Defendants deny the allegations set forth in paragraph 43 and leave Plaintiffs to their proofs.

44. Defendants deny the allegations set forth in paragraph 44 and leave Plaintiffs to their proofs.

45. Defendants deny the allegations set forth in paragraph 45 and leave Plaintiffs to their proofs.

46. Defendants deny the allegations set forth in paragraph 46 and leave Plaintiffs to their proofs.

WHEREFORE, Defendants respectfully request that this Court deny the relief requested in Plaintiffs' Complaint and award the Defendants their costs and attorney fees in having to defend this cause of action, and grant such further and other relief as the Court deems just under the circumstances.

Respectfully submitted,

/s/ Kenneth A. Nathan
Kenneth A. Nathan (P39142)
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Dated: August 4, 2009

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AFFIRMATIVE DEFENSES

NOW COME the Defendants, Kevin R. Iott and Laura Iott, by and through their counsel,
Nathan Zousmer, P.C., and for their Affirmative Defenses, state as follows:

1. Plaintiffs have failed to state a claim upon which relief may granted.
2. As to the subject transaction, there has been accord and satisfaction.
3. With regard to the transaction complained of, Plaintiffs are prohibited from contradicting the terms of the contract to purchase by the parole evidence rule.
4. Defendants reserve the right to add further Affirmative Defenses as may be determined during the course of litigation and discovery in this matter.

Respectfully submitted,

/s/ Kenneth A. Nathan
Kenneth A. Nathan (P39142)
Attorneys for Defendants
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Southfield, Michigan 48034
(248) 351-0099

Dated: August 4, 2009

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